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EXHIBIT 13
DATE 3/12/09
NO 645

**Powell County Funding Proposal For the
Economic Recovery Act of 2008**

Introduction: Powell County, a small county in terms of population (7,000 people) but huge in terms of area (1.5 million acres), has a large infrastructure in critical need of improvements.

The county has 62 bridges. Through efforts to secure grants, and the willingness of our citizens to pass a 10 year mill levy (5 mills per year), improvements have been made on 15 of these bridges. However, bringing the remainder of the deficient bridges up to standard is beyond the financial capability of the county.

We recently completed a road Evaluation document covering 305 miles of our county roads. This document is the first step in developing a Capital Improvement Plan for county roads. Few if any of our roads meet our recently adopted Powell County Road Standards Document. The estimated cost of bringing our roads up to standard is about \$12.6 million.

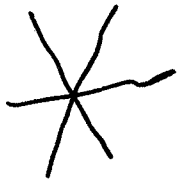
Beyond bridges and roads, the county has a real need to upgrade its structures and add some amenities for its residents. The upgrading should start with a Capital Improvement Plan (CIP) which would focus on safety and energy efficiency measures. The estimated cost of such a CIP and an energy efficiency upgrade to the county courthouse is \$200,000.

In terms of amenities the county needs \$1,500,000 to complete the Deer Lodge River Trail system. The completion of this project would be beneficial to the tourism segment of our economy and provide health benefit opportunities our citizens.

Following are specific project listings in support of the above general summaries.

Bridges:

- **Main Street Bridge in Deer Lodge - \$700,000.** This is our most critical need. The estimated cost of the bridge is \$1,400,000. The county has \$500,000 to contribute and MDT is prepared to provide at least \$200,000. If we are not able to go to contract on this bridge in 2009 we will forfeit the \$700,000 currently available. While the bridge is structurally adequate its flood capacity is inadequate and therefore negates much of the flood control work that has been accomplished on Cottonwood Creek.
- **Second Street Bridge in Deer Lodge - \$400,000.** The Second Street Bridge is almost as critical to the Cottonwood Creek project as the Main Street Bridge. It is the primary detour route for traffic coming to and going from Deer Lodge. No funds are available though grant funds are being applied for.
- **Dempsey and Racetrack Bridges - \$700,000.** Both these bridges are on school bus routes and are important to the movement of agricultural products and machinery.
- **Rock Creek Lake Bridge - \$500,000.** This bridge provides access for recreationists to over 100,000 acres of National Forest Roadless lands. It is also the only access to 8 summer homes/cabins.
- **Alley Bridges in Deer Lodge- \$900,000.** When we undertook the Cottonwood Creek Flood Control Project we removed three alley bridges which were constrictions to the creek channel. We did not want to remove these bridges but our available dollars did not permit us to do otherwise. The loss of these alley bridges has complicated fire suppression and emergency responses access. Additionally, the removal has caused significant problems for the residents of Deer Lodge. Replacing these alley bridges is a priority for the county, should funds become available.



Roads:

Our Road Evaluation Report identified the following improvement actions and the dollar needs for each action. Each road is shown on the attached spreadsheets along with its needed work and estimated cost. Our priorities for work are as follows.

- Reshaping and Graveling (GR) - **\$1,393,007** – Involves grading out ruts and potholes and applying 2-3" of gravel.
- Reconstruction and Graveling (RCG) - **\$4,047,397** – Involves reconstruction of the sub-grade, construction of new ditches and applying 6" of gravel.
- Grading, Reconstruction and Graveling (GR/RCG) - **\$3,802,066** – See above definitions. The two actions are applied to different sections of the same road.
- Blading and Drainage improvements (B) - **\$389,114** – Involves grading out ruts and potholes and compacting the road surface.
- Blading, Reconstruction and Graveling (B/RCG) - **\$2,970,458** – See above definitions. The two actions are applied to different sections of the same road.

only
\$ 400,000

The total need of **\$12,602,042** is quite high. The Commissioners have not yet prioritized the various roads so this dollar amount represents a maximum need.

The Road Evaluation Report predicts that the county needs an average of \$1,600,000 per year to maintain its roads. Currently we have available, from all sources, an average of \$600,000. These funds have been intentionally spent on roads in maintenance levels A,B,C and D. The net result is a maintenance backlog of \$5,339,920 for Maintenance Level Z roads.

The backlog is building each year that we face inadequate funding. The consequences of this backlog are economic (higher cost of transporting agricultural products/goods to market), social (inconvenience and lack of adequate service to our residents and other people) and environmental (contributing more and more sediment to our streams).

Structures and Amenities:

- **Energy efficiency upgrade for the County Courthouse.** We currently spend up to \$6,000 per month to heat the County Courthouse. The estimated cost of replacing the old leaky windows is \$150,000. In undertaking this project we also need to develop a Capital Improvement for all county structures. Total cost of the energy upgrade and the CIP is estimated to be **\$200,000.**
- **Deer Lodge River Trail.** Our plan is to construct a trail system throughout Deer Lodge. The system would link the Main Street Historic District with our two principle tourist attractions – Grant Kohrs Ranch and The Montana Territorial Prison Museum. In addition to the potential economic benefits the system would provide health benefit opportunities for city and county citizens. The system is designed and we are now investing over \$800,000 in constructing portions of it. To complete the system we need an additional **\$1,500,000.**

• ^{\$}500,000 Roundhouse Cleanup